**BILL ANALYSIS**

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| Senate Research Center | H.B. 1940 |
| 86R4907 SCL-F | By: Lucio III (Creighton) |
|  | Business & Commerce |
|  | 4/26/2019 |
|  | Engrossed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

It has been suggested that there may be confusion among surplus lines insurers as to whether they may lawfully provide insurance coverage to residents of counties located in designated Texas Windstorm Insurance Association (TWIA) catastrophe areas. Expanding insurance options in these areas would benefit homeowners. H.B. 1940 seeks to address this issue by establishing that the availability of windstorm and hail insurance from TWIA does not preclude an eligible surplus lines insurer from providing windstorm and hail insurance or limiting the amount of insurance that may be provided.

H.B. 1940 amends current law relating to eligibility of surplus lines insurers to provide windstorm and hail coverage.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 981.004, Insurance Code, by adding Subsection (e) to provide that, notwithstanding Subsection (a)(1), the availability of windstorm and hail insurance from the Texas Windstorm Insurance Association does not preclude an eligible surplus lines insurer from providing windstorm and hail insurance under Subsection (a) or limiting the amount of insurance that may be provided under Subsection (b).

SECTION 2. Effective date: upon passage or September 1, 2019.